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DAILY REPORT

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PRC DELEGATE ADDRESSES UN ON FALKLANDS ISSUE

OW271100 Beijing XINHUA in English 1036 GMT 27 Nov 85

[Excerpt] United Nations, November 26 (XINHUA) -- "Argentina's sovereignty claim over the territory of the Malvinas Islands should be respected by the international community," Chinese representative Fan Guoxiang stated today at the U.N. General Assembly as it began to consider the question of the Malvinas (Falkland) Islands.

The Chinese representative said: "The sovereignty claim by Argentina over the Malvinas Islands reflects the national aspiration of the Argentine people and has won consistent of the Argentine people and has won consistent sympathy and support from the Third World countries, particularly the Latin American countries."

Citing the principles of the U.N. Charter of "safeguarding state sovereignty" and "Peaceful settlement of international disputes," he said a settlement of the Malvinas Islands dispute in accordance with the United Nations Charter and the relevant resolutions of the General Assembly "conforms with the interests of both the Argentine and British peoples" and is "conducive to the preservation of peace and stability in the South Atlantic." He also called on the Governments of Argentina and the United Kingdom "to resume their negotiations so that a peaceful and reasonable solution can be found."

GATT SESSION ENDS, PRC DELEGATE'S REMARKS CITED

OW290856 Beijing XINHUA in English 0716 GMT 29 Nov 85

[Text] Geneva, November 28 (XINHUA) -- The General Agreement on Tariffs and Trade (GATT) ended its 41st session today with a decision to open a ministerial-level meeting next September on a new round of multilateral trade negotiations. The session also decided to establish a preparatory committee to explore the "objective, content and means" of the new round of trade talks, and to work out a plan by next July for the consideration of the ministerial meeting.

The preparatory committee, as suggested by Felipe Jaramillo, chairman of the current GATT session, should also discuss the mounting protectionism around the world and the treatment to developing countries.

The focal point of the controversies between the developed nations and some developing countries is whether service trade should be included in the new round of talks. The United States insisted on including the import-export of services in the next round of trade negotiations while Brazil, India, Argentina, Egypt and Yugoslavia strongly opposed the idea on the grounds that GATT does not cover the area of service trade.

The preparatory committee, headed by Arthur Dunkel, general director of GATT, will be made up of the signatory nations as well as those that have officially applied for GATT membership. Nations that are negotiating for entry into the world trade body may attend the committee's meetings as observers.

Qiu Wenmin, head of the Chinese delegation present at the session as observer, said that China considers positively its participation in the new round of multilateral trade negotiations. Under the open policy, he noted, China's contacts in multilateral economic and trade fields have been strengthened, and its involvement in GATT activities has been expanded in recent years.

"My government is now actively engaged in the process of preparing for the resumption of China's membership in GATT, and will make a formal application in due course," he said. He also said he hoped that the new round of trade talks would contribute to the healthy development of world trade create favorable conditions for trade growth in developing countries.

XINHUA VIEWS WORLD REACTION TO U.S.-USSR SUMMIT

OW282014 Beijing XINHUA in English 1911 GMT 28 Nov 85

["Round-up: World Views U.S.-Soviet Summit With Mixed Feelings" -- (by Tang Tianri) -- XINHUA headline]

[Excerpt] Beijing November 28 (XINHUA) -- The world reacted with worry and hope but nonetheless welcomed last week's U.S.-Soviet summit meeting in Geneva. Opinions were divided over whether any tangible results were obtained, however, many world leaders expressed satisfaction that the two sides had met.

Leaders of the NATO countries, after being briefed by U.S. President Ronald Reagan on Thursday about his talks with Soviet leader Mikhail Gorbachev, reacted favorably to the outcome of the summit. NATO secretary general, Lord Carrington, expressed the organization's all-out backing for the joint communique issued after the summit.

On the same day, leaders of the Warsaw Pact countries, after hearing a report by Gorbachev on the summit in Prague, viewed the top-level meeting as "useful".

Other world leaders, including Japanese Prime Minister Yasuhiro Nakasone, Indian Prime Minister Rajiv Gandhi and Egyptian Deputy Prime Minister and Foreign Minister Ahmad 'Isamat 'Abd al-Majid applauded the summit as a step in the right direction and called it "positive" and a "fine thing".

United Nations Secretary General Javier Perez de Cuellar welcomed the "spirit" embodied in the joint communique, particularly the expressed desire of the two sides to seek common grounds on existing problems.

However, allies of the two superpowers and the numerous developing nations are worried over the prospects of the superpower's relationship after the summit. They are concerned over what impact the summit will have on the international situation since there were no breakthroughs over the key issue of disarmament which still sharply divides the two sides.

After the summit, people are inclined to the view that from now on U.S.-Soviet relations will be characterized by controlled confrontation and dialogue, coupled with rivalry which still means trouble for the world.

THE ASSOCIATED PRESS described the "fireside talk" between Reagan and Gorbachev as "very intimate" but it is disappointing that no concrete agreements were reached on the important issue of arms control, even principal guidelines failed to be defined.

France's news agency, AGENCE FRANCE PRESSE, said in a commentary that both superpower leaders stuck nakedly to a hard line stand on the issue of arms control.

In Harare, Zimbabwe, the HERALD said in an editorial that as long as the two superpowers continue the arms race, most countries in the world, particularly Third World countries, would continue to live under nuclear terror. Another widely voiced view is that more active U.S.-Soviet relations in the future may be a positive sign but this alone is not enough.

Many nations are hoping for a continued U.S.-Soviet dialogue based on the Geneva summit so as to reach agreements on the key issues, particularly the arms control issue, through negotiations to facilitate the relaxation of world situation.

Calling the Geneva summit a good beginning, Australian Foreign Minister Bill Hayden said he hoped the planned meetings between Reagan and Gorbachev would result in essential progress on arms control.

COURT RELEASES RICHARD ONDRIK ON PROBATION

OW281618 Beijing XINHUA in English 1558 GMT 28 Nov 85

[Text] Harbin, November 28 (XINHUA) -- A conditional release was granted here today to Richard Ondrik, the U.S. businessman jailed for 18 months in August for starting a hotel blaze in which 10 people died. The Intermediate People's Court in this Heilongjiang provincial capital said it was releasing him on parole because he had shown remorse while in jail and had made great efforts to reform.

In view of this, the Harbin court decided to grant him conditional release from today until the end of his sentence on December 25, next year. He signed the receipt for the ruling, and received a release certificate from a Harbin jail official.

Ondrik, 34, business development manager with Energy Projects (S.E. Asia) Ltd., of Hong Kong, arrived for trade talks with the Harbin oil refinery on April 18. The next evening, he fell asleep while smoking in his room at the Swan Hotel in Harbin, causing a blaze which killed 10 people, injured seven and caused more than 250,000 yuan damage.

He was arrested on June 26, and on August 13 was sentenced to 18 months in jail and told to pay 150,000 yuan in compensation. This has since been paid.

Officials from the U.S. Consulate in Shenyang were present at today's court session. Ondrik must present himself to the court at the end of his sentence.

Ondrik 'Showed Regret'

HK281158 Beijing ZHONGGUO XINWEN SHE in Chinese 0959 GMT 28 Nov 85

[Text] Harbin, 28 Nov (ZHONGGUO XINWEN SHE) -- Today, Richard S. Ondrik, a U.S. citizen serving his sentence in China, was released on probation. Ondrik 34, was responsible for the fire that broke out at Harbin's Swan Hotel on 17 April, this year. The fire killed 10, injured 7, and caused a direct economic loss equivalent to 250,000 yuan. In accordance with the PRC criminal law, the local court sentenced Richard S. Ondrik to 18 months' imprisonment. In addition, he was required to pay 150,000 yuan as compensation for part of the economic loss. Since 18 September, Ondrik has been serving his sentence in the Harbin prison.

The local court is of the opinion that while serving his sentence, Richard received education, accepted discipline, confessed his crime, and indeed showed his regret. Thus, in accordance with the relevant articles of the PRC criminal law, the court has decided to allow him to be released on probation.

This morning, at 1025, in tunic and trousers, Ondrik heard the court's ruling. After Xu Guojia [1776 0948 1367], chief judge of the Second Criminal Court of the Harbin Intermediate People's Court, finished reading aloud the ruling, Ondrik said twice in Chinese: "I understand." And then, he signed the legal documents in English.

Rui Qiao [5360 0829], a U.S. vice consul in Harbin also was present on the occasion.

Before Ondrik left the Harbin prison, the prison presented to him a note-book covered with satin. The following lines are written on the note-book: "It is hoped that you will contribute more to promoting the friendship between the Chinese and U.S. peoples. We wish you a smooth career and happiness."

PENTAGON OFFICIAL SAYS SDI 'MOVING QUICKLY'

OW270850 Beijing XINHUA in English 0831 GMT 27 Nov 85

[Text] Washington, November 26 (XINHUA) -- One week after the U.S.-Soviet summit meeting in Geneva, a Pentagon official said today that President Ronald Reagan's "star wars" program "is moving very quickly" toward its goal of developing an anti-nuclear defense system.

Lt. General James Abrahamson, who is in charge of the program, said at a special briefing at the Pentagon that even he was surprised at the "good progress" already made in universities, research centers and laboratories. He predicted that technological problems in developing SDI system will be resolved and testing completed by early 1990s to permit a decision on whether to deploy it or not.

He said although "a substantial amount of work" remains to be done, "I'm confident the job can be done." He also told reporters that because Congress has cut budget for the "star wars" project, the research now is focusing on a land-based laser beam defense system rather than space-based ones. Congress has authorized 2.7 billion U.S. dollars for the project in fiscal 1986 instead of 3.7 billion dollars as requested by the Reagan administration. But he stressed that the program for non-nuclear space-based defense systems has not been excluded.

Abrahamson said although "good progress" has been made in the SDI technology, the United States still lags behind the Soviet Union "in some fields." "But once we have decided to do with (the SDI program), we shouldn't think this is impossible," he added.

ADELMAN COMMENTS ON U.S. ARMS CONTROL POSITION

OW282006 Beijing XINHUA in English 1905 GMT 28 Nov 85

[Text] Washington November 28 (XINHUA) -- A senior U.S. Administration official has indicated that despite the joint statement by President Ronald Reagan and Soviet leader Mikhail Gorbachev calling for early progress at the Geneva arms control talks, the United States does not intend to modify its negotiating positions before the talks reconvene in January.

Kenneth Adelman, director of the U.S. Arms Control and Disarmament Agency, today told reporters that since American negotiators presented a new proposal at the last round of the Geneva talks, it is now expected that the Soviets will make some adjustments on their positions. "We will be waiting for a Soviet response," Adelman said, adding that progress would be speeded up "if the Soviets can come forward to bridge some of the gaps between our proposal and theirs."

He made it clear that a major U.S. goal for the next round of talks is to convince the Soviet Union to drop its insistence that progress in reducing strategic weapons be linked to limitations on the U.S. "star wars" program. Adelman said he believes that the Soviet Union will eventually "change on that score someday" as long as the United States holds firm.

However, in a speech in Moscow yesterday, Gorbachev described the U.S. "star wars" program as "the main obstacle to agreement on arms control" and urged the United States "to slam shut the door" on space weapons. "Without this, radical reductions in nuclear armaments are impossible," he declared. Referring to the latest round of Geneva negotiations, recessed early this month, Adelman said progress was made in the talks on strategic and intermediate-range nuclear forces despite some "totally unacceptable" elements in the Soviet offer. He also confirmed that the Soviet Union has reduced to 243 the number of their European-based SS-20 missiles but added, "I don't regard it as much of a gesture" since the mobile missiles could be reconstituted rapidly.

ZHOU YING COMMENTS ON REFORM AT BANGKOK SEMINAR

OW281749 Beijing XINHUA in English 1531 GMT 28 Nov 85

[Text] Bangkok, November 28 (XINHUA) -- A chinese economist said here today that China's economic reform does not alter her social system but to perfect and develop it. This was stated by Zhou Ying, director of the Economic Forecasting Center of the State Planning Commission of China, at the fourth session of the Asia-Pacific regional seminar on an interlinked country model system.

She noted that China has introduced and learned from all the advanced management techniques of different countries including the capitalist countries, but is not following blindly the model of any other country. She said that "China's economic reform does not mean to alter the basic social system. Instead, under the pre-condition of adhering to the fundamental socialist system, the economic reform intends to change the structure and modality of management which is incompatible to the productive development in the relation of production and super-structure, so as to perfect and develop the socialist system." In China's course of economic reforms, she added, China has broken a new path by integrating the Marxist principles with the country's reality.

The seminar, organized by the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP), is scheduled to be held between November 27 and 29. Inaugurating the seminar, ESCAP Executive Secretary S.A.M.S. Kibria pointed out that the ESCAP countries carried the hopes of all developing countries to possibly achieve high growth and a rapid pace of economic development. The seminar will assess and predict the economic performance of ESCAP member countries. Participants from 20 Asia-Pacific nations also discuss various techniques for formulating economic forecasting models.

PRC-UK JOINT LIAISON GROUP ENDS SECOND MEETING

OW290930 Beijing XINHUA in English 0910 GMT 29 Nov 85

[Text] Beijing, November 29 (XINHUA) -- The second meeting of the Sino-British Joint Liaison Group ended here this afternoon after four days of discussions. Following is full text of the press communique issued by the group:

The Sino-British Joint Liaison Group held its second meeting in Beijing from 26 to 29 November 1985. The atmosphere was friendly and cooperative.

The group reviewed with satisfaction the results achieved since its establishment, including the agreement on arrangements for the continued participation of Hong Kong as a special administrative region in the Asian Development Bank after 1997. The group made further progress in its consultations on how to ensure the continued participation of Hong Kong as a special administrative region in the GATT and multifibre arrangements and continued application of international rights and obligations affecting Hong Kong. The group will continue its work in these areas.

The group discussed in detail travel documentation for Hong Kong residents and other related issues and made useful progress. The two sides discussed recent changes in the political system in Hong Kong. The group decided that the next meeting would take place in Hong Kong from 11 to 14 March 1986.

MALAYSIA'S MAHATHIR ENDS VISIT, RETURNS HOME

Feted at Guangdong Banquet

OW271830 Beijing XINHUA in English 1635 GMT 27 Nov 85

[Text] Guangzhou, November 27 (XINHUA) -- Visiting Malaysian Prime Minister Mahathir Mohammed expressed his conviction here today that the prospects for further improving the Malaysia-China relations are excellent. "The objectives in our bilateral relations which we have set for ourselves will entail much work and great commitment, but they are attainable," he added.

The Malaysian prime minister made these remarks at a banquet in his honor given by the Guangdong Provincial Government here this evening. He expressed the hope that the contacts the businessmen in his delegation have established during this short visit will serve to strengthen the friendship between the Malaysian and Chinese peoples.

Yang Deyuan, vice-governor of Guangdong, said in his toast that coastal areas of his province are now serving as a bridge between China's mainland and Hong Kong, Macao and foreign countries. He expressed the belief that there are broad prospects for the Sino-Malaysian economic cooperation.

Mahathir and his party also toured the Shenzhen Special Economic Zone today. At the end of his visit, he said that he was impressed with the speed of Shenzhen's development. The Malaysian visitors arrived here from Xian yesterday evening. They are scheduled to leave here for home tomorrow.

Mahathir Views PRC Ties

OW281751 Beijing XINHUA in English 1536 GMT 38 Nov 85

[Text] Guangzhou, November 28 (XINHUA) -- Malaysia and China see eye-to-eye on international issues and "wide avenues" have been opened for bilateral relations, Malaysian Prime Minister Mahathir Mohammed said here today. Addressing a press conference at the end of an eight-day tour of China, he said: "I think from now on there will be a greater participation by Malaysians in investment in and trade with China."

Mahathir said he would convey to the members of his government his impressions of China so that they would be able to understand what was happening here and how best to develop bilateral relations. He said he had spent eight fruitful days discussing matters concerning Sino-Malaysian relations, particularly economic co-operation. He said: "I find that the Chinese leaders are very forthright and clear about their intentions with regard to development in China, China's relationship with her neighbors -- particularly those in South-East Asia -- and China's foreign policy."

The two sides saw eye-to-eye on all international matters discussed, particularly the questions of Kampuchea, Afghanistan, South Africa and Palestine. The party of Malaysian businessmen he had accompanied to China had met with their Chinese counterparts, and had identified areas in which there was potential for co-operation. His visit to several Chinese cities had helped him understand the approach of the Chinese Government towards development and progress. He added: "I feel that the development taking place in China opens up wide avenues for bilateral relations."

Talks to Zhao, Leaves

OW280958 Beijing XINHUA in English 0928 GMT 28 Nov 85

[Text] Guangzhou, November 28 (XINHUA) -- Malaysian Prime Minister Mahathir Mohammed, his wife, and his party left here for home this afternoon, after winding up their official visit to China. Seeing them off at the airport were Yu Hongen, chairman of the reception committee and minister of the coal industry, as well as Yang Deyuan, vice-governor of Guangdong Province.

This morning, Chinese Premier Zhao Ziyang phoned his Malaysian counterpart from Shanghai, saying the visit had been successful and fruitful. He pointed out that: "Your visit will promote mutual understanding and mutual trust, and will also contribute to the further development of bilateral relations."

Mahathir described his visit as a "very worthwhile experience."

Zhao said that the continued growth of the relations between the two countries is "in keeping with the aspirations of their peoples." The two countries should pay more attention to the fields of economy and trade, as "there is still much work to do in those areas," he added.

Mahathir shared Premier Zhao's views on his visit to China. He said that he and his Chinese counterpart had held several "very good dialogues and discussions," which had cleared up many points in their bilateral relations. From now on, he said, bilateral relations "will improve considerably." On his impressions of China, he expressed his deep appreciation of the development of China's economic zones particularly that of Shenzhen.

Zhao told Mahathir that the Chinese Government is pursuing an open policy. As China and Malaysia are neighboring countries, he was confident that bilateral friendly, cooperative relations have a broad prospect as they have a good foundation. He hoped to make another visit to Malaysia in the near future, and to exchange views again. Before visiting Guangzhou, the Malaysian prime minister had visited Beijing, Shanghai, Hangzhou, Xian and Shenzhen.

INDIAN PRIME MINISTER ARRIVES ON VISIT TO SRV

OW270815 Beijing XINHUA in English 0710 GMT 27 Nov 85

[Text] Hanoi, November 27 (XINHUA) -- Rajiv Gandhi, prime minister of India, arrived here today for a one-day official visit to Vietnam. Gandhi is the first Indian prime minister to visit Vietnam in 30 years. He was invited by Vietnamese party and government leaders Le Duan and Pham Van Dong. Informed sources here said besides economic problems, Gandhi and the Vietnamese leaders will discuss issues concerning Southeast Asia.

Economic relations between the two countries have been developed in last two years. Western diplomats here said India has loaned Vietnam 70 million U.S. dollars to buy food and clothes from India. Vietnam also said it was satisfied with India's support for Vietnamese actions in Kampuchea and India's recognition of Phnom Penh.

Gandhi is scheduled to address a mass rally here this afternoon. He will leave tomorrow morning.

ZHANG JINGFU TO ATTEND EC TRADE PROMOTION WEEK

OW290752 Beijing XINHUA in English 0649 GMT 29 Nov 85

["Fresh Impetus to EC-China Trade and Economic Cooperation (by Yang Yuan Hua)" -- XINHUA headline]

[Text] Beijing, November 28 (XINHUA) -- "The European Community-China business week" will be held in Brussels from December 2 to 7. This will be the largest gathering for expanding trade and economic cooperation, jointly sponsored by the Commission of the European Communities and the People's Republic of China. The week will enable the businessmen and entrepreneurs of both side to exchange views on each other's trade and economic situation and related policies, explore ways to develop trade and economic cooperation and thus lay a sound foundation for greater economic exchange and common prosperity on the basis of equality and mutual benefits.

China will be represented at the meeting by a 150-man delegation, the biggest trade delegation sent abroad by the People's Republic of China since its founding in 1949. Led by State Councillor Zhang Jingfu, the delegation is composed of senior government officials in charge of trade and economic affairs and experts in foreign exchange, capital investment, tariff and other related fields. This shows that China's policy of opening to the outside world is a long-term established policy and that a new situation marked by stability and sustained economic growth has emerged in China. It also shows that China attaches great importance to the long-term development of economic, trade and technical cooperation with the West European countries.

The European community and businessmen of West Europe attach importance to and show great interest in the business week. Tremendous efforts and elaborate preparations have been made by concerned departments for the opening of the week.

Willy de Clercq, member of the EC Commission, and Zhang Jingfu will jointly inaugurate the "business week". Businessmen and representatives of several hundred firms and companies from the 10 member nations of the European Community as well as Spain and Portugal will participate in the various activities of the week. President of the EC Commission Jacques Delors and members of the commission will meet with leaders of the Chinese delegation.

It is learned from reliable sources that during the week, both the European Community and China will brief each other on their respective economic and trade situation, medium- and long-term development programs and related policies, explore ways to expand cooperation in trade, economy, technology and investment and negotiate and sign contracts on certain projects. The Chinese delegation will present more than 200 items on the import of technology and joint ventures for negotiations. These wide-ranging items cover food processing, light industry, machinery, chemical and pharmaceutical, building materials, metallurgy, textiles, and electronics. If business talks proceed congenially, the range of supply is appropriate, prices are reasonable and conditions are preferential, contracts are expected to be concluded during the week.

Symposiums will be held during the week. Both sides will report on their economic and trade situations, long- and short-term development plans as well as policies, laws and regulations, investment environment, export potentials, and the technological trade and investment fields. The Chinese delegation will form 25 special groups to negotiate the import of technology and equipment, and absorption of foreign investment. In addition to having solid political foundations, China and European communities share common or similar views on many issues. The EC-China business week will undoubtedly raise cooperative relations to a new high.

XI ZHONGXUN INSPECTS BAOSHAN STEEL COMPLEX

OW210443 Shanghai JIEFANG RIBAO in Chinese 12 Nov 85 p 1

[By Ruan Guoliang and Zhou Zhengyi]

[Text] Xi Zhongxun, member of the Political Bureau of the CPC Central Committee, inspected the Baoshan Iron and Steel Complex in company with Rui Xingwen, secretary of the Shanghai Municipal CPC committee, on the morning of 11 November.

In a meeting with Li Ming, vice minister of metallurgical industry and commander in chief of the Baoshan Engineering Headquarters, and other comrades at the Baoshan Guesthouse, Comrade Xi Zhongxun said: "First of all, greetings to you. You have been working hard. The Baoshan complex is a modern iron and steel joint enterprise. Thanks to the efforts by all staff and workers at Baoshan, first-stage construction has been basically completed with good quality, and the trial operation has proved successful. On behalf of the party Central Committee, I extend congratulations and pay tribute to you. I hope you will score greater achievements in production and in second-stage construction of the engineering project."

Accompanied by Comrade Li Ming, Comrades Xi Zhongxun and Rui Xingwen inspected the raw materials pier, coke plant, steel mill, iron mill, and preliminary rolling mill.

During the inspection, comrade Xi Zhongxun inquired about the source and price of mineral ores, performance of iron-and steel-making equipment, and quality of trial operations. He was delighted with the way workers concentrated on their work at the control room in the steel mill. In the iron mill and preliminary rolling mill, he saw red molten iron gushing and rolling on steel chains. He shook hands with the directors, technicians, and workers of the two plants, and said: "Good! You've done a good job."

LEADERS PAY LAST RESPECTS TO GUO YINGQIU

SK210933 Beijing BEIJING RIBAO in Chinese 13 Nov 85 p 1

[Excerpts] Unfortunately after failure to respond to any medical treatment, Comrade Guo Yingqiu, excellent Communist Party member, faithful communist fighter, Marxist educator and historian, and honorary president of China People's University, died at the age of 76 in Beijing at 1645 on 29 October 1985. The remains of Comrade Guo Yingqiu were sent to the Yuanbaoshan Revolutionary Cemetery for cremation on 12 November.

After Comrade Guo Yingqiu died, Comrade Peng Zhen expressed sympathy to the family members of Guo Yingqiu by telephone, Comrade Wan Li paid his last respects to Guo's remains at the hospital, and Comrade Song Renqiong expressed his condolences and sympathy to Guo's family members by telephone. Sending messages of condolences were the State Educational Commission, the Shandong Provincial CPC Committee, the Shandong Provincial People's Government, the Yunnan Provincial People's Government, and Nanjing University.

Visiting Comrade Guo Yingqiu at the hospital when he was seriously ill were Duan Junyi, Chen Puru, Zhao Jianmin, Li Ximing, Yang Haibo, Liu Daosheng, Xie Muqiao, Luo Giong, Hao Zhongshi, Zhou Huamin, Li Jue, Zhang Shanming, Zhao Ziyang, Wang Guangzhong, Guo Huaruo, Lu Hong, and Jia Zhen.

Also paying their last respects to Guo's remains and extending regards to his family members at the hospital were Chen Xitong, Zheng Bake, and Wang Zhenyang.

LI PENG ADDRESSES MILITARY INDUSTRY CONFERENCE

OW220423 Beijing XINHUA Domestic Service in Chinese 1502 GMT 21 Nov 85

[By RENMIN RIBAO reporter Dong Jixin and XINHUA reporter Li Anding]

[Text] Beijing, 21 Nov (XINHUA) -- Vice Premier of the State Council Li Peng delivered an address today at a first conference on the technological transformation of defense industry enterprises for producing civilian goods. He called on defense industry departments to gradually shift their focus to producing civilian products, building enterprises for producing civilian goods, and increasing the ratio of civilian products in output value and volume, thereby contributing to the development of national economy.

Li Peng said: The technological transformation of 120 key production lines decided upon by the state will enable the defense industry enterprises to turn out more civilian goods. From now on, the defense industry should produce a greater variety and quantity of civilian goods, provide various sectors of the national economy with technology and equipment, and serve the light and textile industries, scientific research, and other areas of civilian life.

Li Peng said: In the initial stage of producing civilian goods, defense industry enterprises have encountered some difficulties. In the near future the State Economic Commission should formulate a policy that gives priority and consideration to defense industry enterprises. However, in using military technology and advanced technology from abroad to produce civilian goods over a long period of time, the enterprises should respond quickly to market trends and make good use of their technology and equipment, technical personnel, and comprehensive quality control system so that their products can become competitive in both quality and price in the market.

Li Peng said: In producing civilian goods, defense industry enterprises should familiarize themselves with market demands and closely cooperate with various localities and departments. They should be willing to produce not only complete sets of machines but also spare parts; they should be willing to play not only a leading role but also supporting characters.

The conference was jointly sponsored by the State Economic Commission, the State Planning Commission, and the Commission for National Defense Science, Technology, and Industry. Leaders of the Ministries of Nuclear, Astronautics, Ordnance, and Aviation Industries and responsible persons of some enterprises attended the conference.

WAN LI, OTHERS AT BANKING, INSURANCE MEETING

OW222031 Beijing XINHUA in English 1528 GMT 22 Nov 85

[Text] Beijing, November 22 (XINHUA) -- Leaders of China's overseas banking and insurance businesses were praised today by Vice-Premier Wan Li for their contributions over the past few years to the country's modernization drive.

Meeting the financial magnates, who were in Beijing for special meetings, the vice-premier called on China's overseas financial institutions to try harder to raise more low-cost funds for China's Seventh Five-Year plan, which is to begin next year.

He hoped the overseas branches would provide more information on finance, technology and commerce, and train more qualified personnel for their home country. He also stressed the importance of maintaining the good reputations they have been enjoying.

Present at the meeting were Vice-Premier Tian Jiyun and State Councillor Chen Muhua, who is also the governor of the People's Bank of China -- the central bank. The meetings held by the Bank of China and the People's Insurance Company of China, which started November 11, conclude today and tomorrow.

China now has 293 banks, bank branches, sub-branches and representative offices, and over 20 insurance companies have branches, in foreign countries, and in Hong Kong and Macao.

PLANT MANAGER WORK STUDY MEETING OPENS IN NANNING

KH220229 Nanning Guangxi Regional Service in Mandarin 1130 GMT 21 Nov 85

[Excerpts] The second annual meeting of the Plant Manager and Director Work Study Association of China opened in Nanning this morning. Responsible comrades of the Organization Department of the CPC Central Committee, the State Economics Commission, and other departments concerned are attending the meeting.

The main tasks of the meeting are, guided by the spirit of the National Conference of Party Delegates, to sum up work in the past year, exchange experiences in the work of managers and directors, and specifically explore new topics encountered by plant managers and directors during the current reforms of the economic structure.

Hao Jianxiu, member of the Secretariat of the CPC Central Committee and honorary chairman of the study association, delivered a written speech at the meeting this morning. She pointed out: In the new situation of reforms of the economic structure, to embark on a path with Chinese characteristics for running socialist enterprises well is the glorious task assigned by history to China's plant managers and directors. It is essential to persistently put reform in the first place and make good use of the decision-making powers conferred by the state on the enterprises to further invigorate the enterprises, especially large and medium enterprises owned by the whole people. It is necessary to persevere in and further improve pilot project work in the plant managerial responsibility system. On major issues, the managers should simultaneously listen to the views of the party committees. They must in particular pay great attention to bringing into play the role of the worker masses as masters of the house, and strengthen democratic management.

It is necessary to enhance understanding of the urgency of improving and strengthening enterprise management, be resolved to grasp management, and shift the enterprises as soon as possible from purely engaging in production to undertaking production operations, to suit the new situation of planned commodity economy.

It is necessary to establish a responsibility system regarding the goals to be attained by the plant managers during their terms of office and organically integrate the current work of the enterprises with long-term developments. It is necessary to uphold the guideline of putting quality first, institute all-round quality control, and strengthen product competitiveness.

It is necessary to work hard to reduce material input and strengthen the enterprises' capacity to endure and digest unfavorable factors. We must vigorously grasp technological progress, import, and transformation, and follow the path of relying on internal factors in development, so as to increase the reserve strength of the enterprises. We must grasp basic work in enterprise management and improve the quality of the enterprise leading cadres and the whole body of staff and workers.

It is necessary to strengthen the building of spiritual civilization, conduct education for the workers in possessing ideals, morality, culture, and discipline, and cultivate a worker force with lofty ideals and strict discipline.

Hao Jianxiu expressed her belief that as a result of further summation, exchanges, and exploration of plant managers' work at this annual meeting, the development in depth of the work of the study association will be effectively promoted, and new contributions will be made in fulfilling the glorious tasks of the seventh 5-year plan.

Also present at the meeting were Zeng Zhi, member of the Advisory Commission of the CPC Central Committee and adviser to the study association; and Sha Ye, chairman of the association.

Hao Jianxiu's Speech

OW220441 Beijing XINHUA Domestic Service in Chinese 1452 GMT 21 Nov 85

[Text] Nanning, 21 Nov (XINHUA) -- Hao Jianxiu, member of the Secretariat of the CPC Central Committee and honorary president of the China Society for Studying the Work of Plant Directors (Managers), today told the country's plant directors and managers that in the current new situation of economic reform, a glorious task entrusted to them by history is to study and implement well the guidelines of the National Conference of Party Delegates and to blaze a new path with Chinese characteristics in operating socialist enterprises.

Hao Jianxiu made these remarks in her written speech to the second annual meeting of the China Society for Studying the Work of Plant Directors (Managers), which opened here today. She said: We must give priority to reform, effectively use the decision-making power given to the enterprises by the state, fully display the initiatives of plant directors and managers in directing production and administration in a unified manner, seriously carry out supplementary reform measures within the enterprises, and truly turn the enterprises into relatively independent, self-managing socialist commodity producers and distributors. We must do all this to increase the vitality of the enterprises, particularly the vitality of the large and medium-sized enterprises owned by the whole people. This is where our hope for developing China's economy lies

Hao Jianxiu pointed out: The key to a successful system of directors assuming full responsibilities for plant management lies in handling well the relations between the party, the managers, and the workers. The three should coordinate and cooperate closely according to the principle of separation and unity; that is, the principle of separation in responsibilities, work, and system, and of unity in ideology, goals, and relations. Plant directors and managers should take the initiative in soliciting the views of their party committees on major issues affecting the enterprises and in conscientiously accepting their supervision. They should especially try to respect the role of workers as masters of the enterprises. They should be good at following the mass line, should strengthen democratic management, and should actively support the work of the trade union and the workers congress.

Party committees, trade unions, and workers congresses should actively support plant directors' work and voluntarily cooperate with them. In their decisionmaking process, plant directors and managers should fully play a leading role, while the party committee should play a supervisory role, the workers a participatory role, and the advisory organs a guiding role, in order to invigorate the enterprises.

Hao Jianxiu stressed the urgency of improving and strengthening enterprise management. She said: Tapping the potential of enterprises and improving their efficiency through improved management is a key to resolving the various contradictions in production and construction during the period of the Seventh 5-Year Plan. We must quickly transform enterprises from pure producers to producer-distributors. We must make managerial decisions and plan development strategies for enterprises according to the country's needs and on the basis of market research. We must establish a system of fixed terms and goals for plant directors and managers. We must firmly enforce comprehensive quality control, vigorously reduce material consumption, and take steps to enhance the enterprises' ability to resist and sustain unfavorable factors' impact. We must vigorously promote technological progress, import, and transformation, and increase the competitiveness of our products and our ability to export them to earn foreign exchange. We must improve the enterprises' capacity for sustained growth.

On the question of strengthening the building of spiritual civilization, Hao Jianxiu pointed out: Enterprises should train a contingent of workers with lofty ideals, moral integrity, a general education, and a sense of strict discipline by giving them the necessary education. Furthermore, enterprises should consider this task a central part of their ideological-political work. Plant directors and managers shoulder unshirkable responsibilities in fulfilling this task.

Zeng Zhi, member of the Central Advisory Commission, and Sha Ye, president of the China Society for Studying the Work of Plant Directors (Managers), addressed the meeting.

Attending the meeting were responsible persons of the Organization Department of the CPC Central Committee, the State Economic Commission, and other relevant departments of the State Council, as well as a number of plant directors and managers of some large enterprises and scholars from relevant colleges and research units. The responsible persons of Guangxi Zhuang Autonomous Region and Nanning City were also present.

CHEN PIXIAN, SONG RENQIONG ATTEND OPERA

OW220957 Shanghai WEN HUI BAO in Chinese 15 Nov 85 p 1

[Excerpts] (Beijing, 14 Nov -- Exclusive to this paper) The Third Troupe of the Beijing Opera Institute of Shanghai gave a performance at the Huairan Hall of Zhongnanhai last night. The performances of Zhao Jingru, Yan Xingpeng, and Zhang Dafa in the operas "Red Peachtree Mountain," "On the Platform in the Sky," and "Golden Brick" were warmly received. An atmosphere of warmth permeated the hall throughout the evening.

Comrade Chen Pixian spoke with Yan Xingpeng after the show: When I was in Shanghai, You were just a little boy. Now I am so happy to see that you inherited artistic skill from your grandfather, father, and mother and are handing it down. After enjoying the show, Comrades Rong Gaotang and Song Renqiong said with great pleasure that now we have successors to the Yan School of Art.

ZHOU PING ATTENDS ATOM BOMB MONUMENT CEREMONY

OW220952 Beijing XINHUA Domestic Service in Chinese 1444 GMT 18 Nov 85

[By reporter Gu Mainan]

[Excerpts] Beijing, 18 Nov (XINHUA) -- A monument to China's first atomic bomb explosion was recently erected at the foot of the Yanshan Mountain near Donghuayuan in Huailai County, Hebei Province.

On the morning of 13 November scientists, engineering staff members, and responsible persons of the departments concerned who had participated in developing China's first atomic bomb attended the unveiling ceremony in spite of the cold winds. The inscription on the monument reads: "This was the first testing ground for the first atomic bomb. Its construction began in February 1960. The 'first explosion' took place on 21 April 1960. This testing ground was used until early 1964, providing China with valuable data for developing its first atom bomb. The scientists and engineering staff, workers, cadres, and PLA commanders and fighters who took part in developing and testing China's first atomic bomb had made significant constructions to developing China's nuclear weapons."

Zhou Ping, vice minister of nuclear industry, presided over the unveiling ceremony. He said: We have come here once more to visit the place where we fought 25 years ago, making us recall the eventful years when we waged struggles selflessly and vigorously. He pledged to bring into full play the kind of death-defying spirit displayed in the past when China was developing its atomic and hydrogen bombs and to make new contributions to pioneering work for the second time in the development of China's nuclear industry. The scientists and engineering staff who had worked hard on this wasteland also expressed their feelings in revisiting the familiar place.

HU QIAOMU GREETES FOLKLORIC ACADEMIC MEETING

OW231339 Beijing XINHUA Domestic Service in Chinese 0842 GMT 22 Nov 85

[Excerpt] Beijing, 22 Nov (XINHUA) -- The first academic meeting of the China Folk Society, that had lasted 6 days, ended in Beijing on 22 November. Representatives from all localities submitted some 80 research papers to the meeting. These papers show that China, which has been making slow progress in folkloric research over 10 years, has entered a new stage.

Comrade Hu Qiaomu issued a congratulatory letter for the occasion and Comrade Yang Jingren delivered a speech at the meeting.

WAN LI, HAO JIANXIU INSPECT CHINESE-MADE PLANES

OW240432 Beijing XINHUA Domestic Service in Chinese 0900 GMT 22 Nov 85

[Text] Beijing, 22 Nov (XINHUA) -- Braving a light drizzle, Wan Li, vice premier, and Hao Jianxiu, member of the Secretariat of the CPC Central Committee, inspected the Yun-7-100 and Yun-12-2, two principal types of civilian aircraft developed and manufactured in China, at the capital airport this morning.

Sitting in the cockpit of the plane, Wan Li and Hao Jianxiu listened attentively to explanations by experts involved in the development project. Wan Li said: Your planes are well-made and perform well.

They should be put into service on domestic air routes. Aircraft like the Yun-7 and Yun-12 types should be manufactured locally and should not be imported in the future.

Mo Wenxiang, minister of the aviation industry, explained that the aircraft was fitted with advanced electronic communications and navigation facilities from abroad. This enhances the reliability and comfort of the aircraft. Nodding his head, Wan Li said: Aircraft materials and equipment should primarily be made in China, but those that cannot be manufactured here may be imported. This is the experience of the international aviation industry, and it is the right path to follow.

WAN LI EMPHASIZES QUALITY OF TEACHER TRAINING

OW241646 Beijing Domestic Service in Mandarin 1200 GMT 23 Nov 85

[Text] Wan Li, Political Bureau member of the CPC Central Committee and vice premier, addressed the leading comrades at the provincial and municipal levels and the responsible persons of the educating departments who attended the national symposium on the work of training primary and middle school teachers held at the Great Hall of the People this afternoon. He said: In order to raise the people's overall qualities in China, we must spend the next 15 years in building a mighty contingent of teachers from the kindergarten to the collegel level. All problems can be solved if we have such a mighty contingent of teachers who are socialist-minded and professionally proficient.

Wan Li pointed out: The prosperity of a state or a particular locality mainly depends on the overall qualities of the workers. To help workers raise their overall qualities, we must pay attention to education from the kindergarten level. We must rely on parents and society. We must mainly rely on schools and teachers.

Wan Li called on the governments and party committees at the provincial, city, county, and township levels to pay full attention to building the contingent of primary and middle school teachers, to help them raise their professional proficiency, and to provide them with better working and living conditions. It is necessary to work out policies from the political and economic points of view to encourage teachers to regard teaching as their long-term career.

Wan Li hoped that those who attended the symposium would start even greater efforts in working harder and harder.

WAN LI ADDRESSES TEACHERS TRAINING CONFERENCE

OW270011 Beijing XINHUA Domestic Service in Chinese 1405 GMT 25 Nov 85

[Text] Beijing, 25 Nov (XINHUA) -- Wan Li, member of the Political Bureau of the CPC Central Committee and vice premier of the State Council, spoke at a national conference on training of middle and primary school teachers. He stressed that party committees and governments at all levels must pay close attention to training teachers and instruct a huge and stable contingent of qualified teachers with both ability and political integrity in the coming 15 years.

The 6-day conference ended in Beijing today. Li Peng, member of the Political Bureau of the CPC Central Committee, vice premier of the State Council, and chairman of the State Education Commission, also delivered an important speech at the conference.

Comrade Wan Li gave this important speech after holding discussions with participants at the conference and conducting briefings with vice governors (vice mayors) and directors of higher education departments on 23 November.

Wan Li said: Training qualified middle and primary school teachers is of vital importance throughout educational work. It has a bearing on the training of the successors of our Chinese nation in the next century, and is the focal point of education, a strategic issue for economic development.

He stressed: Party and government leading organs at provincial, city, county, and townships levels should pay greater attention to, and make earnest efforts at, training middle and primary school teachers, obtaining a better understanding of its importance, and placing it on the agenda, instead of making empty talk stressing the importance of education. He said: Any idea or practice belittling education, normal education, and the training of qualified teachers is erroneous. The issue of improving the quality of teachers is even more important than that of upgrading equipment and technology in factories. Human quality is a fundamental issue. Only when people improve their ability can they raise labor productivity and turn out better products. However, improvement in people's ability must depend on education, teachers, and training of qualified teachers.

Wan Li pointed out: Although all provinces, municipalities, and autonomous regions have considerably increased expenditure on education and done a tremendous job in renovating school buildings recently, progress in training qualified teachers has been slow. It is necessary to understand the urgency of this important issue. He called on principal party and government leaders in all localities and central departments to make unremitting efforts within their capabilities to train qualified middle and primary school teachers. He said: In formulating a policy or making arrangements, it is necessary to always bear in mind the importance of improving normal education and consolidating and developing the contingent of qualified teachers. It is also necessary to adopt measures to raise their political and professional qualifications and help them better their teaching quality, environment, and conditions, and solve urgent problems in their work and everyday life. Around Teachers' Day this year, all localities solved a number of practical problems for teachers. Such efforts must continue. In order to lay a solid foundation of qualified teachers for training talented personnel, it is necessary to make determined and unremitting efforts at training a huge and stable contingent of teachers with both ability and political integrity at kindergarten up to university level in China in the coming, not just couple of years or 5-year plan, but 15 years, covering three 5-year plans. He stressed: Only with such a contingent of teachers can our education really flourish.

Discussing the question of normal education, Wan Li said: The whole party membership and all quarters of society must attach great importance to this question. Departments concerned should appropriate special funds and adopt effective measures to improve normal education and earnestly carry out reform. It is necessary to adopt policies which can attract more talented people to the profession.

Comrade Wan Li called for efforts to train a huge and stable contingent of qualified teachers.

During the conference, representatives from various localities exchanged experience in training middle and primary school teachers, and earnestly discussed and revised relevant documents on training teachers.

XI ZHONGXUN, RUI XINGEN WATCH NEW FILM

OW261402 Shanghai City Service in Mandarin 2300 GMT 24 Nov 85

[Text] According to a SHANGHAI FAZHI BAO report, Comrades Xi Zhongxun and Qiao Shi, in the company of Rui Xingwen, recently watched a new film made by the Shenzhen Film Company entitled Juvenile Delinquent. They praised it as a well-written film. A presentation ceremony for the film will be held at the Daguangming Theater on the morning of 25 November.

DENG LIQUN ADDRESSES IDEOLOGY EDUCATION MEETING

HK270215 Wuhan Hubei Provincial Service in Mandarin 1100 GMT 26 Nov 85

[Text] The national forum on ideological education work in enterprises concluded in Shiyang City on 25 November after 7 days in session. Deng Liqun, member of the CPC Central Committee Secretariat, made an important speech at the meeting, stressing that it is necessary to build the two civilizations together, tackle the two tasks together, lift the two heavy burdens together, and produce two results together.

Comrade Deng Liqun pointed out: In common with the situation on the economic and political fronts since the 3d Plenary Session of the 11th CPC Central Committee, the situation on the ideological front too has been good. Our ideological and political work force is a good one. Under the leadership of the CPC Central Committee, it has upheld the four basic principles, based its efforts on the actual conditions, linked with the masses, worked hard heedless of hardship and fatigue, and continually created new things. There has been great development in ideological and political work.

However some new problems have been encountered on the ideological front in the course of advance. Our ideological and political work departments and all comrades engaged in this work must fully understand the solemn responsibility they bear. The National Conference of Party Delegates has demanded that the building of socialist spiritual civilization be stepped up, ideological and political work be strengthened, education in the situation and the policies be stepped up, education in ideals and discipline be stepped up, education in communist ideology, patriotism, and revolutionary traditions be stepped up, the role of ideological and political work departments be brought into play and their authority upheld, and that a fundamental turn for the better be attained in party style and social mood.

All ideological and political work departments and comrades engaged in this work must seriously study the documents of the National Conference of Party Delegates, carry forward the achievements, overcome shortcomings, and work hard. They must certainly not disappoint the hopes and trust of the party and people.

Comrade Deng Liqun said: The four basic principles are the foundation of all our policies. We must always uphold them without any wavering. By upholding the four basic principles, we can correctly understand and implement the various specific policies and avoid and overcome both leftist and rightist erroneous trends. On the question of socialist material and spiritual civilization, we must persistently and regularly study afresh the scientific reasonings of the political report delivered at the 12th Party congress. Both in the urban and rural areas, we all hope that more and more households, units, and areas that have built the two civilizations to ever higher standards will emerge.

Comrade Deng Liqun stressed: For party-member cadres to set a personal example is the decisive cardinal link in improving party style.

Old cadres and middle-aged and young cadres must play a major role in promoting a fundamental turn for the better in party style. All party-member cadres must at least succeed in being honest in performing their official duties, abiding by discipline and law, and refraining from using their power for private purpose. They must conduct in-depth and careful ideological education work. At the same time they must strictly observe party, government, and legal discipline.

The comrades of the whole party must respond to Comrade Deng Xiaoping's call and strive to study Marxist theory. This should be integrated with studying the principles and policies since the 3d Plenary Session of the 11th CPC Central Committee. It is necessary to uphold the basic theories and methods of Marxism, proceed from reality in everything, and continually study new situations, solve new problems, and sum up new experiences.

Comrade Deng Liqun said: On the foundation of upholding the four basic principles, we must continue to overcome leftist trends and criticize bourgeois liberalist trends. We must improve our ideological and political work and ensure that this work plays its proper role in the socialist modernization drive.

Zheng Delin, deputy director of the Propaganda Department of the CPC Central Committee; Zhang Yanning, vice chairman of the State Economic Commission (Yu Qinghe), member of the Secretariat of the All-China Federation of Trade Unions; Gian Yunlu, deputy secretary of the Hubei Provincial CPC Committee, Li Haizhong, member of the Standing Committee of the provincial CPC Committee and director of the committee's Economic Work Department; and Chen Fusheng, director of the provincial Propaganda Department, attended the meeting on 25 November.

TIAN JIYUN INSPECTS SHANDONG'S RURAL AREAS

SK270541 Jinan Shandong Provincial Service in Mandarin 2300 GMT 26 Nov 85

[Text] During his recent inspection tour of the rural economic situation in our province, Tian Jiyun, member of the Political Bureau of the CPC Central Committee, member of the CPC Central Committee Secretariat, and vice premier of the State Council, pointed out: The focus of the work of counties centers on agriculture; agriculture constitutes the foundation of the national economy, and grain production constitutes the foundation of agriculture. Therefore, under no circumstances should we neglect grain production. We should conscientiously implement the principle of never neglecting grain production and energetically develop diversified businesses.

Accompanied by Li Changan, deputy secretary of the provincial CPC Committee and governor of the province, and by Lu Hong, vice governor, Vice Premier Tian Jiyun went to Changchun's rural areas to visit some peasant families. He cordially talked with some rural residents, learned about the current production situation of rural areas and the burden and living conditions of peasants, and listened to the opinions of the masses.

Having viewed the current good situation in the rural areas, the good mental outlook of the masses and the good relationship between cadres and the masses, Vice Premier Tian Jiyun said happily: So long as we continue to implement the party's policies towards rural areas and encourage peasants to become better-off through hard work, the rural situation and peasants' standard of living will certainly become better and better.

During his stay in the province, Vice Premier Tian Jiyun also listened to the reports made by responsible comrades of the provincial CPC Committee, the provincial people's government, and of Changqing, Lingxian and Jiyang Counties.

CIRCULAR ON ENROLLING GRADUATE SCHOOL STUDENTS

OW241401 Beijing XINHUA Domestic Service in Chinese 1205 GMT 22 Nov 85

[Excer Beijing, 22 Nov (XINHUA) -- The State Education Commission recently issued a circular on ensuring success in enrolling graduate students for master's degrees in 1986 and made specific requirements accordingly. The circular emphasized the need to implement the principle of ensuring quality and making steady progress in enrolling graduate students.

The State Education Commission's circular urged all enrolling units to uphold the principle of making overall evaluation of the candidates' moral, intellectual, and physical qualities, and ensure the selection of outstanding candidates. They should rather go without than settling for candidates who are less satisfactory. It is necessary to improve the methods of evaluating the candidates' ideological and political performance.

The circular stipulates: In 1986, the method of administering political theory test to master's degree students in the entrance examination will be reformed on a trial basis. This reform is designed to improve the political quality of graduate students. The examination and evaluation of political theory course is divided into two parts: Basic Marxist theory and current events and policies. Students should be strictly examined and evaluated in their ordinary Marxist theory course. This year, candidates who have made outstanding academic achievement in the undergraduate Marxist theory course (including graduating students of the year and on-the-job personnel) may be exempted from basic Marxist theory test during reexamination, provided they have the approval of the enrolling units after examination. However, enrolling units should still test these candidates on current events and policies. Candidates who have not reached the level of the outstanding candidates or candidates with equivalent academic ability in the undergraduate Marxist theory course will be tested by the enrolling units during reexamination. The subjects of examination are basic Marxist theory and current events and policies. Written test or written/oral test may be administered.

The circular stipulates that starting in 1986, on-the-job personnel who have graduated from regular undergraduate courses and who intend to sit for the master's degree or graduate school examination are required to have 2 or more years (from the day of graduation to the day of admission into the graduate school) of practical experience. The units to which these candidates belong should keep the overall situation in mind and encourage them to take the examination. In 1986, no separate tests will be administered to job-holding candidates for any courses or specialties.

The date of registration for the 1986 graduate students studying for master's degree is 1 to 5 December. Preliminary examination will be held on 22 and 23 February next year.

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2. Message of Sympathy From the CPC Central Committee and the State Council to the People and Troops in Flood-Stricken Areas in Liaoning Province (28 Aug 85)
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Bulletin No 25

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ARTICLE VIEWS TAIWAN'S 'CONFIDENCE CRISIS' DEBATE

HK251519 Beijing ZHONGGUO XINWEN SHE in Chinese 0836 GMT 22 Nov 85

[Article by ZHONGGUO XINWEN SHE reporter Guo Zhaojin: "Taiwan's Debate on 'Confidence Crisis'"]

[Text] Beijing, 22 November (ZHONGGUO XINWEN SHE) -- In recent years, along with slow economic recovery, the case of Henry Liu, the case of the 10th credit cooperative and some other cases, the problem of "no successors" has become increasingly serious. In Taiwan, more and more people have begun to talk about a "confidence crisis," which has resulted in a public debate.

The Debate First Began in the "Legislative Yuan"

On 17 September, Lin Lieuhui, member of the "Legislative Yuan" made a written inquiry to the "Legislative Yuan." He believed that the people of Taiwan are suffering from a "confidence crisis." He demanded that the authorities adopt special measures to raise the people's confidence. A few days later, the 76th "Legislative Yuan" held its meeting. At the meeting, the "confidence crisis" became the central topic of the members of the "Legislative Yuan." All the members of the "Legislative Yuan" demanded that the authorities carry out political reforms and eliminate the "confidence crisis."

On 24 September, Huang Chuwen, another member of the "Legislative Yuan" addressed the "Executive Yuan" with an inquiry entitled "On Political Reforms With a View to the Confidence Crisis." In his article, he believed that the three mine disasters, the case of the 10th credit cooperative, the case of Henry Liu, the case of the poisonous maize and some other cases, had exposed many problems in Taiwan's executive branch and political structure and "had made the people lose confidence in the government and caused a "confidence crisis."

Huang Chuwen cited many examples to prove the existence of the "confidence crisis," such as financial disorder, the shrinkage in industrial production, the outflow of qualified personnel and funds, the fact that "most of the investment goes to the pornographic trades instead of to production" and so on, and said that all these strange phenomena have been caused by a "confidence crisis."

When answering the inquiry, Yu Kuohua, president of the "Executive Yuan," denied the existence of a "confidence crisis" in Taiwan. He said that what had been cited by Huang Chuwen were only "some 'out-of-the-ordinary' phenomena in Taiwan during the period of Taiwan's progress and transition," and were only "isolated matters and accidents," so he could not "take the partial phenomena as the overall situation" and "could not come to the conclusion that a "confidence crisis" existed in Taiwan."

The authorities reply could not convince the members of the "Legislative Yuan". At the general meeting of inquiry the "Legislative Yuan" held on 4 October, both the KMT and non-KMT "Legislative Yuan members" pointed out in their inquiries addressed to the "Legislative Yuan" that a "confidence crisis" really existed in Taiwan. In his written inquiry, Chang Chunhsiung, member of the "Legislative Yuan" said: "The authorities are too optimistic about the future, so as to deceive themselves as well as others." He criticized the authorities by saying that the authorities only put up "a sign showing refusal to fight" to cope with the CPC's united front strategy, but "the people in Taiwan still do not know where the government will lead them and where they will be tomorrow, so how can they still have confidence in the future?"

As soon as the debate on the "confidence crisis" between the members of the "Legislative Yuan" and the authorities was made public, it became the center of the public opinion in Taiwan.

In order to prove that the "confidence crisis" does not exist in Taiwan, the authorities have carried out extensive propaganda activities.

By holding a grand celebration for its "10 October National Day," the Taipei authorities tried to show the whole world a "peaceful and prosperous" Taiwan. A major newspaper in Taipei published a special editorial saying that the "happy and joyful atmosphere" of the celebration activities showed that the people of Taiwan have "strong confidence in the government's leadership and position and Taiwan has no confidence crisis."

During the celebration of recovery of Taiwan from the Japanese occupation, all the well-known and distinguished personages came out to speak highly of the glorious achievements of Taiwan's economic construction. Taiwan's official newspapers also published editorials and special commentaries saying that the people of Taiwan "are living in a paradise like Shangri-la," and the people of Taiwan should "appreciate the happy life they are presently enjoying." The official newspapers also accused those who believed that Taiwan had a confidence crisis, saying that those people were just "using strange theories and queer ideas to try to please the public with claptrap," and their theories and ideas "do not conform with the actual situation in Taiwan and they are just exaggerating things to scare people."

Propaganda is just propaganda. Numerous articles talking about the "confidence crisis" still continue to appear in the newspapers and magazines. And there is now a tendency to further talk about this question.

Public opinion generally believes that the existence of the "confidence crisis" in Taiwan cannot be denied. An article published in "Bashi 'THE EIGHTIES' Niandai" said that the inquiries of members of the "Legislative Yuan" have "actually reflected public opinion in Taiwan." The editorial of CHUNGHUA TSACHIH [CHINA MAGAZINE -- 0022 5478 7177 1807] said: "So many senior officials and distinguished personages as well as many rich people have transferred their property to foreign banks and sent their children abroad. There is a saying which goes: 'When there is unrest, people will tend to leave.' Do these people still have confidence in our government?"

Public opinion in Taiwan also believes that the present "confidence crisis" is of a dual nature, meaning that the government and the people "doubt each other." One magazine said that besides implementing "party prohibition" and "news prohibition" in Taiwan, the authorities "even prohibit relatives living on the two shores of the Taiwan Straits from seeing each other according to its policy of the 'three don'ts'" for fear that those who go to the mainland to see their relatives will join the 'united front' and those who come to Taiwan will practice the 'united front.'" All this shows that the government has created a "confidence crisis" among its people.

How will the debate on "confidence crisis" end? A "short commentary" carried by TSULI WANPAO [5261 0500 2519 1032] said. "Debate cannot decide whether there is confidence or crisis." This has had a great influence on society and public feeling. Another magazine pointed out: "The personages in various circles and public opinion" fear that the authorities "will not be able to recognize and overcome the crisis, and as a result, the people will have a more serious 'crisis' in their confidence in the government."

TAIWAN PREMIER URGES VIGILANCE AGAINST 'PEIPING'

OW210335 Taipei CNA in English 0232 GMT 21 Nov 85

[Text] Taipei, Nov. 20 (CNA) -- Premier Yu Kuo-hwa said Wednesday that the strong ties between Overseas Chinese and the Republic of China [ROC] will never be affected under any circumstance, and he pledged that the ROC Government will do its best to let all Overseas Chinese feel the warmth of the people in the free motherland.

Yu made the remark while speaking to some 130 members of the Overseas Chinese Affairs Commission [OCAC] who had recently come home from around the world for OCAC's annual meeting.

OCAC members, after concluding their last meeting Wednesday, attended a reception hosted by Yu in the company of OCAC chairman Tseng Kwang-shun. Also present at the reception were Vice Premier Lin Yang-kang, and Ministers Without Portfolio K.T. Li, Kao Yu-shu and Kuo Wei-fan.

Yu told OCAC members that in recent years, the Peiping regime has intensified its overseas united front operations by bringing up the so-called "one nation, two systems" proposal.

Peiping is hoping that, through the introduction of this proposal, it will be able to weaken the Overseas Chinese resistance against communism, extinguish the Mainland Chinese hope for freedom and democracy, and place the ROC Government under its control, Yu said. He said that the ROC Government will never change its anti-communist stand, and will continue to fight for its goal of recovering the China mainland.

Yu said that he hopes that all OCAC members will continue to serve as a bridge between Overseas Chinese and the government. While the government expresses concern for all Overseas Chinese, OCAC members should also tell the government what Overseas Chinese need and what suggestions they have for the government, he said.

CHINA POST EDITORIAL ON U.S. TEXTILE BILL

OW251037 Taipei CHINA POST in English 21 Nov 85 p 4

[Editorial: "Asian Reaction to U.S. Senate's Passage of Textile Bill"]

[Text] The U.S. Senate passage of the textile and shoe bill shows the strong sentiment of protectionism among the American people causing Asian nation keen concern.

The Senate bill provides for the limitation of not only textiles but also shoes, which were not included in the House bill. The House bill, however, is more restrictive than the Senate bill. The Senate bill will be discussed by a conference of House and State representatives to see what differences may be narrowed down to reach an agreement. It will then be passed again by both branches of the Congress.

It is generally expected that the new textile bill will be vetoed by President Ronald Reagan when it reaches his desk. The question is whether Congress has enough votes to override the presidential veto. The House passed the measure by a majority of 260, 30 votes short of a two-thirds majority, while the Senate passed the bill by a majority of 69 votes, seven votes short of the two-thirds needed to override a veto. The Senators have also voted down a series of amendments aimed at helping the copper industry and other special interest groups.

If the bill should survive, the Republic of China stands to lose 780 million to 1 billion U.S. dollars worth of sales a year and 70,000 jobs, which will seriously hurt the textile industry of the Republic of China.

In South Korea, where officials threatened to retaliate against the U.S. Congressional measures, authorities told the press that they were not too alarmed by the bill's passage Nov. 13 as the 60-37 vote was short of the two-thirds majority needed to override a presidential veto. Otherwise, South Korea might suffer a reduction of 35 percent of its textile exports annually.

In Hong Kong, officials also expected the bill to be killed by a presidential veto. Hong Kong's lobbying in Washington will continue to work against the protectionist trend.

Japanese Prime Minister Yasuhiro Nakasone has also expressed his hope that the bill will be vetoed by President Reagan. But Japanese textile goods during the first half of this year have already dropped by 11.1 percent from the corresponding period last year to 497.4 million U.S. dollars.

Singapore will also be hard hit by the bill although no official reactions were reported. Presumably Lee Kuan Yew has voiced his concern to President Reagan during his recent visit to Washington.

The recent textile talks between the Representatives of the Republic of China and the Republic of Korea have mapped a common approach to the U.S. protectionist measure and it will be implemented by both nations.

It seems that there is an urgent need for all the textile and shoe exporting nations in Asia to make a concerted move against the U.S. protectionist trend by warning the United States of Asian nations' retaliation against the U.S. textile and shoe limitation bills. Such a move would greatly strengthen Reagan's hand in vetoing such bills. At the same time, it would discourage other Senators or Congressman from overriding the presidential veto.

The Reagan administration also realizes that the bill would narrow the choices of American consumers, drive up clothing and shoe prices, hurt the poor and violate various trade treaties as well as the United States' free trade policy.

On the other hand, Asian textile and shoe exporters should also exercise self-restraint to limit their exports to the United States by shifting a portion to other regions in order to ease the ill feelings of the U.S. Congressional leaders against them.

CHINA POST ON GENEVA SUMMIT, REAGAN 'SUCCESS'

OW260739 Taipei CHINA POST in English 23 Nov 85 p 4

[Editorial: "Conclusion of Reagan-Gorbachev Summit"]

[Text] The conclusion of the summit talks between U.S. President Ronald Reagan and Soviet General Secretary Mikhail Gorbachev at Geneva on Nov. 20 brought a sigh of relief to free people throughout the world that the two leaders did not end their meetings in violent disagreement on fundamental issues of peace and war. Reagan and Gorbachev's press conference announcement Thursday that they had agreed at their two-day summit to cooperate to avoid the "catastrophic consequences" of nuclear war on earth and in space is most welcome news to the anxious public of the world.

The two leaders also pledged that neither side would "seek to obtain military superiority." The press statement also stated that "recognizing that a conflict between the USSR and the U.S. could have catastrophic consequences, they emphasized the importance of preventing any war between them, whether nuclear or conventional." They agreed to accelerate negotiations on limiting nuclear and space arms "to prevent an arms race in space and to terminate it on earth, to limit and reduce nuclear arms and enhance strategic stability."

But the statement said that "serious differences remain on a number of critical issues." It specifically mentioned space weapons as one of such critical issues. Yet U.S. Secretary of State George Shultz hastened to add that the subject of "star wars" was discussed "in great detail" though there was no change by either side in positions already stated on the subject.

Other issues not mentioned in the joint statement include the Soviet's aggressive activities in various regions, which the United States certainly must have brought up for discussion. There was obviously no agreement on those issues. No mention was made on the human rights issues of which there were "extensive" discussions but no hint of any results.

There were also agreements on future exchanges of visits, by Gorbachev in 1986 to the United States and by Reagan in 1987 to Moscow.

They also presided over a ceremony to sign consular, cultural and scientific accords Thursday before 300 reporters and dozens of delegation officials. Both men represented a new cordiality that exists between the superpowers. They also signed bilateral accords toward the resumption of civil air traffic and to improve air safety in the north Pacific and to cooperate on magnetic fusion research.

There was also general agreement on improving U.S.-Soviet relations from a new starting point, a fresh start, as Reagan had described it. He told the press that "I came to Geneva to seek a fresh start and we have done this." He also said that "we've packed a lot into the last two days, we are heading in the right direction."

Needless to say, the most important aspects of the summit remain unrevealed and hidden in the conversations between the two world statesmen in their private talks. Reagan must have succeeded in persuading the Soviet leader it is time to cooperate with him to build a peaceful and orderly world and change his intransigent attitude. The lengthy talks must have resulted in mutual concessions to a certain degree which only future events will reveal. As Gorbachev told the press, the success of the summit should be measured "in deeds, not words." "The significance of everything we have agreed on can only be reflected if we continue with concrete measures to achieve peace on earth and in the cosmos." He also pledged on behalf of the Soviets to do all he can to achieve practical results to end the arms race and produce conditions for peace on earth.

All free people hope that the Soviets will live up to their words and Gorbachev's promises will not be repudiated by the Kremlin upon his return to Moscow.

President Reagan has indeed scored a great success at Geneva. His only regret is that the American press was kept idle during the summit, preventing them from more actively reporting the unprecedented summit agreements.

WEN WEI PO EDITORIAL ON PRC SPACE STATION PLANS

HK270516 Hong Kong WEN WEI PO in Chinese 27 Nov 85 p 2

[Editorial: "Should a Space Station Be Built Sooner or Later?"]

[Text] At a time when China is carrying out its four modernizations program, which development strategy to adopt is an issue of prime importance to be question of whether China will be able to become one of the world's economic powers at an early date.

In developing science, technology and the economy, there is a multitude of things to do. It is imperative to make a distinction between important and urgent tasks and unimportant and less urgent ones and arrange an order of development with optimal results. The most prominent issue that has been most frequently debated upon is whether we should build a space station sooner or later.

Those who hold that it should be built later think that, though China has already mastered some space technology and is able to realize a plan to build a space station, as our country is still relatively poor and our people's living standards are still relatively low, we should not spend our funds in space development at present, but should concentrate our funds in the construction of projects that our country most urgently needs for its economic development.

However, there are also some people who hold that we should build a space station sooner. They think that ours is an era for breakthroughs in science and technology, and that as a frontier of science and technology, space technology is of great significance in promoting the development of scientific research in all spheres and in promoting the development of our national economy. If we fail to start early in this sphere, we will lose time in catching up with the Western powers.

This is a very reasonable view. An information era will soon emerge and the information revolution will greatly increase social productive forces and economic wealth. The microelectronic industry, which is the foundation of the information industry, needs special alloys and semi-conductor materials. These materials have extremely high economic value, but it is impossible to produce them on earth. For on earth, it is very expensive to create a vacuum environment with a very low gravity and it would take several decades to produce a small amount of the metals and chemicals needed.

However, all these problems can be solved immediately. There is a vacuum environment in space and the gravity there is only 1 millionth of that on earth. In that environment, metals and chemicals can be 4 or 5 times purer than they are on earth. More importantly, we can produce in a week what it would take us several decades to produce on earth. This can be regarded as a project that needs little investment and brings about tremendous economic results.

The United States, the Soviet Union, Japan, and Western Europe have all drawn up plans to establish permanent manned space stations, and thus attempt to be the first to become the richest countries in the world. If China does not develop space station technology because of its poverty, then there will be a situation of the poor becoming increasingly poorer and the rich becoming increasingly richer and it will be more difficult for China to catch up with the Western powers in the next century.

Should we then transfer funds from the development of our national economy to fund the development of our space station? It seems that we should not do that. At present, Chinese space scientists who have both aspirations and ability have already found a way to satisfy the rival demands, namely, the way to raise funds on their own in developing space technology without asking for more financial resources from the state.

The Chinese astronautics industrial department already regards as commodities for exports the space technology and products that it has already developed, and is undertaking business related to satellites abroad and cooperating with foreign businessmen in undertaking contracts for cooperation in scientific research and manufacturing in space. China's space science and technology is backward compared with the United States and the Soviet Union, but it is not second to the United States and the Soviet Union in a small number of scientific research projects (such as the calculation of orbits and remote sensing). This has provided China with the conditions to carry out cooperation with Western countries. At present, China has already signed letters of intent about cooperation in this sphere with seven countries. This cooperation will on the one hand enable them to carry out exchanges and promote the development of their space science and technology and, on the other, will enable China to sell space products and get funds for the development of its space technology.

Therefore, the task of developing China's space station as the next step of work that Ren Xinmin, chairman of the Science and Technology Committee of the Ministry of Astronautics Industry, has put forth, is realistic and feasible. This project will function as the head of a dragon to give impetus to the development of rising industries and to the vigorous development of the Chinese economy.

XINHUA WILL NOT BE 2D 'POWER NUCLEUS' IN HONG KONG

HK220737 Hong Kong SOUTH CHINA MORNING POST in English 22 Nov 85 p 14

[Text] The local branch of the NEW CHINA NEWS AGENCY [NCNA] will not become another "power nucleus" in the territory. The assurance was given by NCNA's director Mr Xu Jiatao, at a press briefing yesterday.

Besides being a news agency, Mr Xu said the branch would conduct studies and investigate and reflect the situation in Hong Kong to Beijing. He added: "The Sino-British Joint Declaration has clearly stated that the British Government holds responsibility for the running of Hong Kong affairs before 1997. The problem of a 'second power nucleus' does not exist." The NCNA would still localise its establishment but the policy should not be regarded as a step towards realisation of the concept "Hong Kong people ruling Hong Kong," he said.

Mr Xu assured that freedoms of press and speech would be respected and the branch would cultivate closer relations with the local media. He said a spokesman system would soon be set up in the NCNA to assist local media. He said deputy directors and department heads of the NCNA would provide information and background to local media on an unscheduled basis. "We fully respect freedoms of press and speech in Hong Kong." Mr Xu said.

But he stressed news must be based on facts. He said people were entitled to speak their minds under the principle of freedom of speech, but they should respect facts. "This is our fundamental view of freedoms of press and speech. The freedoms are inseparable from the basic systems including politics, economy, culture of a capitalist society."

He said NCNA would not choose to comment on subjects when the situation was not ripe or when an issue was not yet clear. "By doing so, we realise our responsibility to the community. To speak more specifically, we play our part in shouldering our responsibility to the stability and prosperity of Hong Kong, to the five million in Hong Kong and overseas compatriots and to the cause of reunification of the motherland." he said.

LIAOWANG ON CPC VIEW OF 'Taiwan Independence'

HK270854 Hong Kong LIAOWANG Overseas Edition in Chinese No 3, 25 Nov 85 p 15

["Answering Questions From Taiwan Compatriots" column by Sima Niu: "Why Does the CPC Allow 'Taiwan Independence' Elements To Visit the Mainland?"]

[Text] In his letter, a reader from Taiwan asked: "What attitude does the CPC adopt toward 'Taiwan independence'? Why did it allow "Taiwan independence" elements to visit the mainland?"

Answer: The CPC does not support "Taiwan independence." It has always been resolutely opposed to "two Chinas," "Taiwan independence," and a split and has spared no effort to strive for the reunification of the motherland.

Before 1979, in their talks at the annual gatherings or forums marking the Taiwan "28 February" incident, the responsible persons of the CPC and the democratic parties almost invariably condemned foreign forces for colluding with a handful of people in Taiwan in carrying out "two Chinas," "one China, one Taiwan," and "Taiwan independence" activities. The joint communiques on the establishment of diplomatic relations between China and the United States, Japan, and other countries invariably stated clearly that "there is only one China and Taiwan is a part of China," thus indicating the principled stand of the Chinese Government on resolutely opposing "two Chinas," "one China, one Taiwan," and "Taiwan independence."

On New Year's Day 1979, in its "Letter to Taiwan Compatriots" the NPC Standing Committee pointed out: "We place our hopes on the 17 million Taiwan people as well as the Taiwan authorities. The Taiwan authorities have consistently adhered to the one China stand and opposed Taiwan independence. This is precisely our common stand and the basis of our cooperation." In her speech at the New Year's tea party hosted by the CPPCC National Committee on New Year's Day 1980, Deng Yingchao said: "Taiwan must return to the motherland. We oppose any form of plots, such as 'one China, one Taiwan' and 'Taiwan independence.'" In her speech at the New Year's tea party hosted by the CPPCC National Committee on New Year's Day 1984, Deng Yingchao further pointed out: "The activities of a handful of people for the 'independence of Taiwan' went against the will and the interests of the people in Taiwan and ran counter to the interests of the country's reunification and national unity. As for relations between Taiwan and the mainland, unity brings stability, while division causes danger. This is a cardinal principle of our nation's interest as well as an objective truth known to all. The Chinese people on both sides of the Taiwan Strait have been separated for dozens of years. At this late hour, anyone who persists in obstructing the country's reunification will be unworthy of his descendants." In her speech Deng Yingchao also categorically pointed out: "The headquarters of the 'Taiwan Independence Movement' is seated in the United States. Some people with power and influence in the United States openly supported 'Taiwan independence' activities and thought they had Taiwan in their pocket. Acts such as these are obviously a gross insult to the people in Taiwan, and it is also worth pondering whether they forebode fortune or disaster for the future of the Taiwan authorities."

In his government work report at the NPC's second session in May 1984, Zhao Ziyang also pointed out: "We will show our appreciation of anything said and done by the Taiwan authorities that facilitates contacts and exchanges of visits between compatriots on both sides of the Taiwan Strait, enhances their mutual understanding, and assists the reunification of our motherland." He also reiterated: "Any plot to split China will definitely fail." This shows that the CPC supports all words and deeds opposing a split and upholding the reunification of the motherland and that it will absolutely not tolerate any conspiratorial activities aimed at splitting China, such as those carried out by the "Taiwan Independence Movement."

For more than 3 decades, the CPC has consistently devoted itself to achieving the great cause of reunifying the motherland, which actually is the struggle against "two Chinas," "one China, one Taiwan," and "Taiwan independence."

Having dealings with some people entertaining the idea of "Taiwan independence" does not mean that we approve of their ideological tendency, but is aimed at persuading them to change this tendency. Just as Deng Yingchao said at a forum on reunification held by the Beijing women's circles on 3 March 1980, "judging from the meaning of 'Taiwan independence,' it is opposed to the reunification of the motherland and is aimed at splitting the motherland and the people. That is why we do not approve of 'Taiwan independence.' However, we are ready to exchange views with 'Taiwan independence' elements and welcome them to the mainland for a visit." Here, "exchanging views" and "welcoming them to the mainland for a visit" are naturally aimed at promoting understanding, dispelling doubts, and changing their stand. On no account do they mean that we approve of their "Taiwan independence" activities.

Everybody knows that the Taiwan compatriots, who were subjected to the imperialists' colonial rule for many years, fervently hope to genuinely become the masters of the country. Since Taiwan's return to the motherland in 1945, the longstanding antagonism between the KMT and the CPC has resulted in the separation of Taiwan from the Chinese mainland for more than 30 years. Dissatisfied with the current political situation in Taiwan and lacking a good understanding of the Chinese mainland, some Taiwan compatriots have doubts or are disappointed about the future of Taiwan. Under these circumstances, due to the deceitful propaganda by foreign forces and by a small number of Taiwan elements with ulterior motives, some people have cherished illusions and are inclined to follow the path of "Taiwan independence." Their plight and frames of mind are understandable. It is precisely because of this that the CPC is ready to come into contact with these people in order to win their understanding and their support for the CPC's policy of peaceful reunification and to remove some obstructions or obstacles to the peaceful reunification of the motherland.

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